

Disciplinary and Other FINRA Actions

Firms Fined

Integrity Brokerage, LLC (CRD® #117589, Monterey Park, California)
January 3, 2022 – An Office of Hearing Officers (OHO) decision became final after the firm withdrew its appeal to the National Adjudicatory Counsel (NAC). The firm was fined \$44,938. The sanction was based on the findings that the firm improperly allowed an individual to associate with it when he was subject to a statutory disqualification and allowed him to engage in its securities business in a manner that required him to be registered when he was not. The findings stated that the NAC issued a formal FINRA® decision denying the firm's Membership Continuance Application (MC-400) seeking permission for the individual to associate with the firm despite his disqualification. The firm's owner ignored an initial warning from FINRA that the individual was prohibited from associating with the firm and implemented a plan to evade the prohibition. More than six months after the MC-400 application was denied, the owner and a firm registered representative together wrote a letter to customers to inform them that for now, the disqualified individual would not be their official registered representative. Instead, the representative that helped write the letter would be their acting registered representative. At the same time, the letter reassured customers that the disqualified individual was still generating investment ideas for them, and the representative was still providing "excellent and timely customer service." The letter promised that customers could request time with the disqualified individual to discuss the stock market, economic issues and company specific information. The owner and the representative described the changes after the MC-400 decision as semantics. The letter obscured the true nature of the situation, being that FINRA had denied the approval necessary for the disqualified individual to speak to the firm's customers about securities and their portfolios. Customers continued to see the disqualified individual as their broker, not the representative. ([FINRA Case #2018056436001](#))

Third Seven Capital LLC (CRD #160209, New York, New York)
January 3, 2022 – A Letter of Acceptance, Waiver and Consent (AWC) was issued in which the firm was censured and fined \$10,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it conducted a securities business while it failed to maintain the minimum required net capital. The findings stated that the firm incurred \$16,832.71 in legal fees, which caused its net capital to fall below the required minimum, with daily deficiencies between \$726 and \$29,665. The findings also stated that the firm filed inaccurate notices of net capital deficiency. The firm filed a notification

Reported for March 2022

FINRA has taken disciplinary actions against the following firms and individuals for violations of FINRA rules; federal securities laws, rules and regulations; and the rules of the Municipal Securities Rulemaking Board (MSRB).

Search for FINRA Disciplinary Actions

All formal disciplinary actions are made available through a publicly accessible online search tool called FINRA Disciplinary Actions Online shortly after they are finalized.

Visit www.finra.org/disciplinaryactions to search for cases using key words or phrases, specified date ranges or other criteria.

with the Securities and Exchange Commission (SEC) and FINRA stating that it failed to maintain the required minimum net capital. However, in its filing, the firm inaccurately stated that its net capital deficiency had ended after the firm received funds in connection with a private placement. The firm erroneously failed to include certain legal fees in its net capital calculations and its net capital was still below the required minimum. The firm filed an amended notification with the SEC and FINRA stating that its net capital deficiencies had not ended and had continued until the date of the amended notification. However, in connection with its net capital calculations, the firm incorrectly recorded certain credits attributable to rent and software invoices as debits. Therefore, the amended notification was also inaccurate, and the firm's net capital remained below the required minimum after the amended notification was filed and until the following month. The findings also included that the firm failed to maintain accurate books and records concerning its aggregate indebtedness and net capital and filed an inaccurate Financial and Operational Combined Uniform Single (FOCUS) report. The FOCUS report inaccurately stated the amount of the firm's net capital deficiency. ([FINRA Case #2020065094701](#))

Jefferies LLC ([CRD #2347](#), New York, New York)

January 6, 2022 – An AWC was issued in which the firm was censured and fined \$55,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to timely report to Trade Reporting and Compliance Engine® (TRACE®) transactions in TRACE-eligible corporate debt securities. The findings stated that the late reports were caused by several different issues at the firm, including delays related to a manual reporting process involving trades with foreign affiliates, operational errors and delays by firm personnel, such as firm employees not timely matching tickets in the firm's system, and amendments to trade terms outside of the 15-minute reporting time frame. ([FINRA Case #2018060219201](#))

E*TRADE Securities LLC ([CRD #29106](#), Jersey City, New Jersey)

January 11, 2022 – An AWC was issued in which the firm was censured, fined a total of \$350,000, of which \$144,500 is payable to FINRA, and required to submit to FINRA a representation that it has implemented a supervisory system reasonably designed to detect potentially manipulative trading activity. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and maintain a supervisory system, including written procedures, reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules, related to detecting potentially manipulative trading by its customers. The findings stated that the firm's system for monitoring trading conducted through its platform relied on automated surveillance reports to detect various forms of potentially manipulative trading by its customers. However, this supervisory system was not reasonably designed

with respect to detecting potentially manipulative trading involving wash trades, prearranged trades and marking-the-close. Certain of the firm's reports used parameters that significantly restricted their ability to detect potential wash trades and prearranged trades, particularly in lower-priced and thinly traded securities. In addition, the firm modified surveillance parameters in its reports in a way that rendered them too restrictive to reasonably detect potential marking-the-close activity, especially in lower-priced securities. The findings also stated that the firm did not have surveillance reasonably designed to detect trading that artificially increased or decreased the price of thinly traded stocks, such as when a customer attempted to artificially influence the price of a security by effecting a series of buy transactions within a short period of time to create the false appearance of trading interest and activity in the security, followed shortly thereafter by transactions on the opposite side of the market to reap profits from an artificially increased price. Further, while the firm used surveillance reports to detect potential intraday manipulative trading, the parameter settings of these reports were not reasonably designed to detect trading that artificially increased or decreased the price of thinly traded stocks. ([FINRA Case #2014039952901](#))

Jefferies LLC, as successor to Jefferies Execution Services, Inc. ([CRD #2347](#), New York, New York)

January 11, 2022 – An AWC was issued in which the firm was censured and fined a total of \$200,000, of which \$42,765 is payable to FINRA. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to take reasonable steps to establish that the intermarket sweep orders (ISOs) it routed met the requirements set forth in Rule 600(b)(30) of Regulation National Market System (Regulation NMS) of the Securities Exchange Act of 1934 (Exchange Act). The findings stated that the firm's electronic trading desk routed orders to trading centers that it marked as ISOs, but that did not meet the requirements of Regulation NMS because the desk failed to route additional limit orders to execute against other exchanges' protected quotes. The firm was notified of potential ISO routing issues through exchange surveillance, at which time the desk stopped routing ISOs. The desk failed to inform the firm's compliance department that it intended to begin sending ISOs. Moreover, the desk did not have any procedures regarding compliance with Regulation NMS and did not maintain firm-specific quotation data or conduct periodic reviews to test the effectiveness of its policies and procedures for preventing trade-throughs. In addition, the firm failed to identify all protected quotations when determining which venues ISOs should be routed due to a coding issue. The firm also mistakenly routed orders to trading centers that it marked as ISOs but, in fact, were immediate-or-cancel orders that did not qualify as ISOs. Further, the firm failed to identify that a programming error within its order execution system was causing it to mismark orders and to fail to retain firm-specific quotation data that contributed to the firm's inability to perform

reasonable periodic reviews to test the effectiveness of its policies and procedures for preventing trade-throughs. The findings also stated that the firm's supervisory system was not reasonably designed to comply with Exchange Act Rule 611(c). The firm did not establish a supervisory system or written supervisory procedures (WSPs) that were reasonably designed to ensure that the desk did not route ISOs or, if it were to route ISOs, that such routing complied with Exchange Act Rule 611(c). The firm did not initially implement any supervisory review of ISOs until later, and this review was not documented in its procedures until almost a year later. Even after the review was implemented, it was unreasonable given that the ISOs reviewed by the firm represented a small fraction of the ISOs the firm handled each day. In addition, the firm's programming errors and failure to maintain snapshot records of the market data supporting its routing of certain ISOs prevented it from performing a reasonable review of those ISOs for compliance with Exchange Act Rule 611(c). ([FINRA Case #2017054588101](#))

Loewen, Ondaatje, McCutcheon USA, LLC dba BLV Securities ([CRD #35205](#), Wayne, Pennsylvania)

January 25, 2022 – An AWC was issued in which the firm was censured, fined \$20,000 and required to certify that it has developed and implemented a written anti-money laundering (AML) program reasonably designed to achieve and monitor its compliance with the requirements of the Bank Secrecy Act, and the implementing regulations promulgated thereunder. A lower fine was imposed after considering, among other things, the firm's revenue and financial resources. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and implement AML policies and procedures reasonably expected to detect and cause the reporting of suspicious activity. The findings stated that following a change in majority ownership, the firm's business model shifted. The firm, however, failed to tailor its AML program to its new, higher-risk business model. While utilizing a quarterly checklist process as its primary method of AML monitoring, the firm failed to detect or investigate red flags of suspicious activity in multiple customer accounts. The findings also stated that the firm failed to conduct an independent AML test in 2019. The firm's independent AML test performed in the previous year only assessed its AML program through the time that the firm's business model still focused on private placements sold to domestic customers. The firm did not conduct another independent AML test until the following year, and it did so only with prompting by FINRA. The firm's belated annual test did not evaluate essential aspects of the firm's AML program and was unreasonable in that it failed to review customer account activity. As a result, the test failed to determine whether the firm was reasonably detecting, monitoring and investigating potentially suspicious activity. The test also failed to review the firm's AML training program. The findings also included that the firm opened customer accounts without obtaining the signature of a firm principal evidencing supervisory review and approval during

the account opening process. During this time, approximately 80 percent of the new customer accounts sampled and reviewed by FINRA were opened without the signature of a firm principal. ([FINRA Case #2019060991102](#))

DriveWealth Institutional LLC fka Cuttone & Co., LLC ([CRD #33038](#), New York, New York)

January 26, 2022 – An AWC was issued in which the firm was censured and fined \$100,000. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it violated Rule 203(b)(1) of Regulation SHO of the Exchange Act by failing to obtain locates for short sales. The findings stated that upon receipt of a customer short sale order, the firm effected a principal short sale in the same security on an exchange or other execution venue and then satisfied the customer order by buying the security as principal at a different price. The firm effected short sale orders for its own account to facilitate customer short sale orders on a net basis without borrowing the securities, entering into a bona fide arrangement to borrow the securities, or having reasonable grounds to believe the securities could be borrowed so that they could be delivered on the date delivery was due. The findings also stated that the firm executed short sale transactions and failed to report each of the transactions to the FINRA/NYSE Trade Reporting Facility (FNYTRF) with a short sale indicator. The firm failed to report these transactions as short sales because its front-end order management system was not programmed to include a short sale indicator for the customer when submitting the second leg of a net trade. As a result, the trade reports incorrectly reflected that the contra-party sold long. The firm has since corrected this issue. The findings also included that the firm violated Rule 201(b)(1) of Regulation SHO by failing to establish, maintain and enforce written policies and procedures reasonably designed to prevent short sales during a circuit breaker. The firm had no reasonable supervisory process to identify whether short sale transactions were executed at or below the National Best Bid when a circuit breaker was in effect. Instead, the firm relied on automated pre-trade controls within its front-end order management system, which also did not subject the transactions to automated pre-trade controls designed to achieve compliance with Regulation SHO. In addition, the firm's WSPs provided for a review of order records and trade reports, however, they did not allow the firm to assess whether it complied with Regulation SHO, as these records do not contain information about the National Best Bid or whether a circuit breaker was in effect at the time of execution. As a result, the firm was unable to identify that its controls were not preventing short sales during short sale circuit breakers in relation to the second leg of the net trades until FINRA inquired about it. FINRA found that the firm improperly reported trades using the wrong modifier by incorrectly reporting a W modifier on the trade reports for its net trades, even though none were priced at an average weighted price or with a special pricing formula. FINRA also found that the firm failed to establish and maintain a supervisory system reasonably designed

to achieve compliance with the locate requirement in Regulation SHO and FINRA's trade reporting rules. The firm programmed its order management system to not require locates for the principal short sale orders sent to facilitate customer short sale orders on a net basis. The firm also had no reasonable process to identify whether a trade was properly marked as short or whether a locate was obtained. In addition, although the firm's WSPs summarized short sale requirements and provided for a weekly review of a reasonable sample of orders, trade records and trade reports, they failed to describe what constituted a reasonable sample size and did not explain for what the supervisor should be reviewing, how the supervisory review was to be conducted, or how the locate requirements applied to net trades. The firm's WSPs failed to describe for what the supervisors should be reviewing daily trade reports or explain how the supervisory review was to be conducted. Further, a review of NASDAQ Report Cards would not identify whether trades were reported with accurate indicators or modifiers. Finally, the firm's WSPs related to net trading did not include any review to verify that net trades were accurately reported to trade reporting facilities. ([FINRA Case #2017053847701](#))

CIM Securities, LLC ([CRD #120852](#), Centennial, Colorado)

January 31, 2022 – An AWC was issued in which the firm was censured and fined \$35,000. A lower fine was imposed after considering, among other things, the firm's revenue and financial resources. Without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to establish and enforce a supervisory system, including WSPs, reasonably designed to achieve compliance with FINRA Rules 2111 and 4512(a)(1)(D). The findings stated that the firm's WSPs cited NASD Rule 2310, instead of FINRA Rule 2111, even though FINRA Rule 2111 superseded NASD Rule 2310, and differs from Rule 2310 by requiring member firms to exercise reasonable diligence in ascertaining each customer's investment profile, including investment experience, investment time horizon, liquidity needs and risk tolerance. The firm cited NASD Rule 2310 in the WSPs despite previous warnings from FINRA that the rule had been superseded by FINRA Rule 2111. As a result, the firm failed to obtain certain suitability information from three customers, who collectively invested a total of \$680,000 in high-risk private placement offerings, including information about the customers' risk tolerance and liquidity needs. In addition, although there were no customer complaints or harm, two of the customers, as well as additional customers, provided information that suggested that the private placements may not be suitable for them. Further, the firm failed to obtain and maintain a principal signature denoting the acceptance of accounts held by investors in the private placement offerings, as required by its WSPs. The firm has revised its WSPs and supervisory system to address the requirements of FINRA Rule 2111. The findings also stated that the firm failed to maintain and enforce a reasonable supervisory system for email review. Despite the

firm receiving previous warnings from FINRA that its supervisory system for email review was not reasonable, the firm's WSPs did not specify the required frequency for outgoing email review, the size and parameters of the relevant samples, or the required steps for escalation of any issues or problems identified through the email review. In addition, the firm's WSPs did not contain any information about documenting the review of incoming email, the size and parameters of the relevant samples, or the required steps for escalating any issues or problems identified during the email review, apart from complaints from customers. The firm has since revised its WSPs. ([FINRA Case #2019060957101](#))

Individuals Barred

Warren Ellwood Rowe Jr. ([CRD #1065880](#), Irvington, Virginia)

January 3, 2022 – An AWC was issued in which Rowe was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Rowe consented to the sanction and to the entry of findings that he refused to provide documents and information requested by FINRA in connection with its investigation into allegations that he took impermissible loans from customers. ([FINRA Case #2020066566001](#))

Thomas John Lykos Jr. ([CRD #2017220](#), Houston, Texas)

January 10, 2022 – Lykos appealed a NAC decision to the SEC. Lykos was barred from association with any FINRA member in all capacities. The sanction was based on the findings that Lykos acted unethically by cheating on a qualification examination and violating the Rules of Conduct governing examinations. The findings stated that, while viewing test material on the computer, Lykos wrote on his driver's license and between the fingers of his left hand. Lykos then tried to leave the test room for a break but had to return to his workstation to rub the writing off his license when the proctor asked for his identification to check out. Lykos was able, however, to leave the test center with writing between his fingers because he concealed it by keeping his hand in his pocket during the checkout process. Lykos then went to a bank where he knew a teller and asked to use her office, an area unmonitored by test center staff or cameras. In addition, Lykos attempted to come back into the test center with a business card and tore it in half and discarded it when the proctor noticed it during check in. Evidence shows that Lykos had writing between his fingers when he re-entered the test room after this break. Upon returning from the break, Lykos spent approximately 14 minutes reviewing questions he had already answered and changed his answers to two questions, the only time during the exam that he changed an answer.

The bar is in effect pending review. ([FINRA Case #2018059510201](#))

Mercer Hicks III ([CRD #245170](#), Southern Pines, North Carolina)

January 11, 2022 – An OHO decision became final in which Hicks was barred from association with any FINRA member in all capacities and ordered to pay disgorgement to FINRA in the amount of \$38,812.60 in commissions received. Hicks had appealed the OHO decision to the NAC, but on January 11, 2022, the appeal was dismissed as abandoned. The sanctions were based on the findings that Hicks made unsuitable recommendations to senior customers in violation of customer-specific suitability obligations by recommending purchases of high risk, illiquid, non-traded securities offered by several real estate investment trusts and a business development corporation to the customers, without first satisfying the suitability rule's requirements. The findings stated that Hicks' recommendations were specifically unsuitable for each of the customers considering their ages, financial situations and investment profiles. The prospectuses of the investments Hicks recommended describe the inherent risks of investing in unequivocal terms. Typically, they warn that investing in them involves a high degree of risk, one of which is a complete loss of investments. The prospectuses also contain warnings that the investments are suitable only for persons who will not need liquidity. None of the customers had a tolerance for high-risk investments. Such recommendations have been recognized as unsuitable for customers situated similarly to those here. Hicks simply did not know of or pay attention to the risks the prospectuses made abundantly clear. Hicks received commissions totaling \$38,812.60 from his recommendations. Furthermore, for some customers, Hicks' recommendations excessively concentrated their liquid assets in high-risk, illiquid securities. The findings also stated that Hicks violated his reasonable-basis suitability obligations by failing to conduct a reasonably diligent investigation of the investments he recommended. Consequently, Hicks was ignorant of significant features of the securities, including their numerous inherent risks, and did not have a reasonable basis to believe the recommendations were suitable for anyone. Hicks did not know that the company was a business development corporation, did not understand what it invested in and did not understand the risks of investing in the company. Similarly, Hicks did not understand the risks of the non-traded real estate investment trusts he recommended to the customers, did not understand that they were high-risk investments and did not know that the prospectuses warn that investors should be able to afford to lose their entire investments. ([FINRA Case #2017052867301](#))

Michael Rene Pena ([CRD #6523538](#), Miramar, Florida)

January 11, 2022 – An AWC was issued in which Pena was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Pena consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA in connection with its investigation into whether he failed to timely amend his Uniform Application for

Securities Industry Registration or Transfer (Form U4) to disclose a potentially reportable event, and whether he submitted false continuing education course completion documents. The findings stated that Pena initially cooperated with FINRA's investigation, however, he ceased doing so. ([FINRA Case #2021069166501](#))

Devin Lamarr Wicker ([CRD #4228250](#), New York, New York)

January 13, 2022 – Wicker appealed a NAC decision to the SEC. Wicker was barred from association with any FINRA member in all capacities and ordered to pay \$50,000, plus interest, in restitution to a customer. The sanction was based on the findings that Wicker converted customer funds. The findings stated that a customer retained Wicker's member firm to serve as the underwriter for its planned Initial Public Offering (IPO). The customer and the firm agreed that, among other things, the customer would reimburse the firm promptly when invoiced for the firm's reasonable out-of-pocket expenses, including reasonable legal fees and expenses, in connection with the IPO. Wicker knew that the customer wired the firm \$50,000 and that the sole purpose of the wire was to pay, on behalf of the customer, a retainer to a law firm. Wicker also knew that the customer never authorized him to use the funds for any other purpose, and he concedes that the firm neither paid the retainer to the law firm nor returned the funds to the customer. Wicker controlled the firm's bank account into which the retainer was wired, and he authorized withdrawals and payments from the account for other purposes, including substantial payments to himself. The record shows numerous attempts, during a more than six-month period, to get Wicker to pay the law firm with the customer's funds or return the funds to the customer. Wicker did not do so, and instead ignored the requests and obfuscated his knowledge that the customer's funds had not been used as intended. To date, Wicker has not repaid the customer.

The bar is in effect pending review. ([FINRA Case #2016052104101](#))

Bradley Carl Reifler ([CRD #1589414](#), Millbrook, New York)

January 21, 2022 – The SEC remanded a decision back to FINRA in which Reifler was barred from association with any FINRA member in all capacities. The SEC decision affirmed the findings of violations and remanded the proceeding back to the NAC for redetermination of the sanctions. The SEC affirmed FINRA's findings that Reifler repeatedly refused to answer questions during two on-the-record interviews concerning the sale of a closed-end mutual fund he managed and controlled. The SEC, however, determined that FINRA misapplied the sanction guidelines when it barred Reifler based on his complete failure to respond to information requests.

The bar is in effect pending review. ([FINRA Case #2016050924601](#))

Joshua David Nicholas ([CRD #6529944](#), Stuart, Florida)

January 24, 2022 – An AWC was issued in which Nicholas was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Nicholas consented to the sanction and to the entry of findings that he converted customer funds. The findings stated that Nicholas engaged in futures contracts through his corporate entity, an outside business activity (OBA). Nicholas' futures trading for two of his customers, a married couple, resulted in losses of more than \$1 million in the trading account with Nicholas and his entity. In a purported effort to recoup some of their losses, Nicholas convinced the customers to invest \$300,000 in a promissory note with his entity so that it could invest the funds in securities on their behalf. However, Nicholas transferred \$280,000 from his entity's bank account to his personal bank account and spent approximately \$58,000 of these funds on personal expenses. The findings also stated that Nicholas provided the customers with a fictitious brokerage statement containing material misrepresentations. After executing the promissory note, the customers repeatedly asked Nicholas to provide a copy of the entity's account statement to show them whether and how the proceeds of the note had been invested. In response to these requests, Nicholas prepared and emailed a copy of a brokerage statement purporting to show that his entity had opened a brokerage account at a FINRA member firm, and that the account owned a number of securities to secure the note. The brokerage statement stated, among other items, that the account was in the name of Nicholas' entity, that the account held shares of certain equity securities and that the account had earned approximately \$72,000 in dividend income that month. In fact, Nicholas had fabricated the document. Neither Nicholas' entity nor he had an account at the firm, and neither his entity nor he owned any assets custodied at the firm. The findings also included that Nicholas engaged in an undisclosed OBA. Nicholas failed to provide prior written notice to his member firm that he was engaged in an OBA involving the entity, and he did not receive approval from the firm to do so. Moreover, Nicholas falsely attested in a firm annual compliance certification that he did not engage in any OBAs. FINRA found that Nicholas participated in a private securities transaction away from the firm, and he failed to either provide prior written notice to the firm or receive prior written permission from the firm prior to engaging in the transaction. The promissory note that the customers entered with the entity was a security. ([FINRA Case #2020067572701](#))

Mark Smith ([CRD #5776360](#), Littleton, Colorado)

January 26, 2022 – An AWC was issued in which Smith was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Smith consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA in connection with its investigation that originated from an amended Uniform Termination Notice for

Securities Industry Registration (Form U5) filing submitted by his former member firm. The findings stated that the firm submitted the Form U5 disclosing that it received information of Smith's possible involvement in an unauthorized transaction in a client's personal checking account. Although Smith initially cooperated with FINRA's investigation, he ceased doing so. ([FINRA Case #2021072110901](#))

Tarek Mohsen Mohamed ([CRD #6717691](#), New Port Richey, Florida)

January 27, 2022 – An Order Accepting Offer of Settlement was issued in which Mohamed was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Mohamed consented to the sanction and to the entry of findings that he failed to provide a complete response to FINRA's requests for information and documents. The findings stated that the requested information and documents were necessary to determine whether Mohamed converted client funds, improperly failed to disclose his OBAs to his member firm or engaged in other misconduct in violation of FINRA rules or federal securities law. ([FINRA Case #2020067814802](#))

Dennis Phillip Ayre ([CRD #5365176](#), Van Nuys, California)

January 28, 2022 – An AWC was issued in which Ayre was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Ayre consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA in connection with its investigation into the suitability of certain investment recommendations he made to customers while he was registered with FINRA. ([FINRA Case #2020067277801](#))

Francis Cid ([CRD #2897738](#), Levittown, New York)

January 28, 2022 – An AWC was issued in which Cid was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Cid consented to the sanction and to the entry of findings that he refused to produce information or documents requested by FINRA in connection with an investigation into his conduct concerning an entity that he controls. The findings stated that the request sought information related to Cid's potential participation in private securities transactions, disclosures made to investors concerning the entity he controls and matters related to its registration status. ([FINRA Case #2021071785501](#))

Steven Douglas Schisler ([CRD #2367961](#), Grass Valley, California)

January 31, 2022 – An Order Accepting Offer of Settlement was issued in which Schisler was barred from association with any FINRA member in all capacities. Without admitting or denying the allegations, Schisler consented to the sanction and to the entry of findings that he made an unsuitable recommendation to two elderly, married customers to invest \$300,000 in a promissory note to finance a commercial

property. The findings stated that the investment was a substantial portion of the elderly customers' retirement savings, and they were depending on those funds to pay down considerable debt. The elderly customers also had few alternative sources of income in retirement. The recommended investment was a security and, by its own terms, was limited to accredited investors, which the elderly customers were not. Moreover, Schisler did not perform the due diligence necessary to provide him with a reasonable basis to recommend the investment to his customers. Had Schisler conducted even a cursory internet search, he would have learned that one of the two partners issuing the note had been barred from the securities industry for defrauding investors. The findings also stated that Schisler participated, without the approval of his member firm, in a private securities transaction with the elderly customers. Schisler facilitated the elderly customers' investment in the note by, among other things, recommending the investment to them, arranging and participating in a meeting in his own office between them and the issuer, and receiving a \$9,500 finder's fee from the issuer in connection with the transaction. Schisler participated despite repeated and explicit instruction from his firm that he could not do so. The findings also included that when the \$300,000 note became due, the issuer defaulted. One of the elderly customers had died a few months earlier, and the other brought a civil lawsuit against Schisler and others involved in the investment and, subsequently, a FINRA arbitration against Schisler. Despite repeated instructions from his firm to do so, Schisler willfully failed to timely amend his Form U4 to report either the civil lawsuit or the arbitration filed against him by the surviving elderly customer. Schisler also willfully failed to timely amend his Form U4 to disclose the subsequent resolutions of the civil lawsuit and arbitration as well as his receipt of a Wells Notice advising him that he was the subject of a FINRA investigation. FINRA found that Schisler entered into a settlement agreement with the elderly customer that contained a prohibited condition. Specifically, Schisler executed the settlement agreement with the elderly customer to resolve both her civil lawsuit and FINRA arbitration. However, under the terms of the settlement, Schisler improperly required her to execute a declaration to support his request for expungement. FINRA also found that Schisler lied under oath at the FINRA arbitration panel's hearing on his request for expungement. During the hearing, Schisler lied to the panel about his involvement in the promissory note, falsely testifying that he did not personally introduce the customers to the issuer and otherwise mischaracterizing the nature of his involvement with the note. In addition, FINRA determined that Schisler lied to FINRA during on-the-record testimony. During testimony, Schisler repeatedly and falsely testified that the finder's fee he received in connection with the promissory note investment was a personal loan and that he was unaware at the time that the elderly customers had made the investment. Moreover, FINRA found that Schisler engaged in a long pattern of unethical business

conduct towards another elderly and retired customer. Schisler solicited the retired customer to lend him \$50,000 in the form of a promissory note that was secured by mortgaged property on the verge of default. Schisler defaulted on the mortgage a few days after he issued the note to the retired customer, and he subsequently lost the property through foreclosure. Schisler failed to disclose both the default and subsequent foreclosure to the retired customer and then failed to timely repay her the principal and the accrued interest. Schisler unilaterally extended the maturity date and repeatedly assured the retired customer that payment would be forthcoming, only to renege on his promises without justification. After years of unjustified delays, and still owing most of the original principal, Schisler finally repaid the retired customer more than six years after the note matured. Furthermore, FINRA found that Schisler made a false statement regarding whether he had borrowed money from any current or former customers on a firm compliance questionnaire. In fact, Schisler had borrowed money from two customers, including the retired customer. The findings stated that Schisler caused his firm to fail to preserve books and records by using outside, unmonitored non-firm email accounts not copied, captured, or supervised by his firm to conduct securities business. ([FINRA Case #2018058718601](#))

Carl Wade Thomason ([CRD #2100429](#), Overland Park, Kansas)

January 31, 2022 – An AWC was issued in which Thomason was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Thomason consented to the sanction and to the entry of findings that he refused to appear for on-the-record testimony requested by FINRA during the course of a matter that originated from a tip received by FINRA. ([FINRA Case #2020068668801](#))

Kelly Diane Thomason ([CRD #5684407](#), Overland Park, Kansas)

January 31, 2022 – An AWC was issued in which Thomason was barred from association with any FINRA member in all capacities. Without admitting or denying the findings, Thomason consented to the sanction and to the entry of findings that she refused to appear for on-the-record testimony requested by FINRA during the course of a matter that originated from a tip received by FINRA. ([FINRA Case #2020068668802](#))

Individuals Suspended

Shawn Paris Patrick ([CRD #1419385](#), Cleves, Ohio)

January 4, 2022 – An AWC was issued in which Patrick was fined \$5,000 and suspended from association with any FINRA member in all capacities for 10 business days. In determining the appropriate sanctions in this matter, FINRA considered, among other factors, that Patrick's member firm suspended him for 14 days and fined him \$7,500. Without admitting or denying the findings, Patrick consented to the sanctions and to the entry of findings that he impersonated customers in telephone calls to a third-party firm that administered a 401(k) plan in which the customers participated. The findings stated that four of the customers requested Patrick's assistance with making changes to their accounts, including reallocating account holdings. Patrick made four separate calls to the firm that administered the 401(k) plan. During those calls, Patrick posed as the customers and, while doing so, made the requested changes to the customers' account allocations.

The suspension was in effect from February 7, 2022, through February 18, 2022. ([FINRA Case #2020067798901](#))

Philip Jenss Myers ([CRD #1458723](#), Carver, Minnesota)

January 7, 2022 – An AWC was issued in which Myers was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Myers consented to the sanctions and to the entry of findings that he provided a gift of church bonds with a face value of \$100,000 to an employee of a bank that engaged in business with his member firm. The findings stated that while the bonds had a face value of \$100,000, they were in default at the time and the market value was likely much lower, although still well beyond the gift limit allowed by FINRA Rule 3220. Myers provided the bonds as a gift in recognition of the services the employee had provided on a firm church bond project.

The suspension is in effect from January 18, 2022, through March 17, 2022. ([FINRA Case #2020067759601](#))

John Michael LoPinto ([CRD #4563735](#), Staten Island, New York)

January 10, 2022 – An AWC was issued in which LoPinto was assessed a deferred fine of \$7,500, suspended from association with any FINRA member in all capacities for nine months and ordered to pay \$135,333, plus interest, in deferred restitution to customers. Without admitting or denying the findings, LoPinto consented to the sanctions and to the entry of findings that he excessively traded five customers' accounts. The findings stated that LoPinto recommended high frequency trading in the customers' accounts. LoPinto's customers routinely

followed his recommendations and, as a result, he exercised de facto control over the customers' accounts. LoPinto's trading was excessive and unsuitable given the customers' investment profiles. As a result of LoPinto's excessive trading, the customers suffered collective realized losses of \$240,331 while paying total trading costs of \$205,523, including commissions of \$161,706. The findings also stated that LoPinto exercised discretion to effect trades in a customer's account without the customer's prior written authorization and without his member firm accepting that account as discretionary in writing. LoPinto charged the customer a total of \$21,632 in commissions to place the trades. The restitution imposed is equal to the commissions paid by three of the five customers, and the customer in whose account LoPinto exercised discretion. The remaining customers previously received restitution in connection with another AWC.

The suspension is in effect from January 18, 2022, through October 17, 2022. ([FINRA Case #2019060753503](#))

Christopher T. Joseph ([CRD #6841532](#), New York, New York)

January 12, 2022 – An AWC was issued in which Joseph was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Joseph consented to the sanctions and to the entry of findings that he engaged in OBAs without providing prior written notice to his member firms. The findings stated that Joseph signed an employment agreement with another firm while he was registered with one of his firms. The other firm paid Joseph \$31,750.47. Joseph's job responsibilities did not involve the execution of any securities transactions but instead related primarily to managing relationships with current and prospective clients. In addition, Joseph was a founder, owner and chief operating officer of a company that he formed with his wife to launch a mobile application. Joseph handled various aspects of the business, including working with vendors to develop and market the mobile application. Joseph was issued a company credit card to pay for business expenses, including meals and travel, but did not receive a salary. The findings also stated that Joseph participated in private securities transactions without providing prior written notice to either of his firms. Joseph participated in raising money for the mobile application business he started with his wife and the sales of \$462,500 of convertible notes to investors who were friends and family of Joseph and his wife. Joseph assisted with pitching investments to individuals and sending offering documents. Joseph had an ownership interest in this business and was reimbursed for his expenses.

The suspension is in effect from January 18, 2022, through July 17, 2022. ([FINRA Case #2019064979001](#))

Joel Paul Kichline ([CRD #1416219](#), Webster Groves, Missouri)

January 13, 2022 – An AWC was issued in which Kichline was fined \$5,000 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Kichline consented to the sanctions and to the entry of findings that he exercised discretion in customer accounts without their prior written authorization and without his member firm having accepted any of the accounts as discretionary. The findings stated that the customers gave Kichline oral discretion to purchase or sell securities.

The suspension was in effect from February 7, 2022, through March 6, 2022. ([FINRA Case #2020067473501](#))

Partho Sarathi Ghosh ([CRD #1983427](#), Princeton, New Jersey)

January 18, 2022 – A NAC decision became final in which Ghosh was fined \$10,000 and suspended from association with any FINRA member in all capacities for three months. The NAC affirmed the findings and modified the sanctions imposed by the OHO. Ghosh has not been registered in any capacity in the securities industry for more than five years. Accordingly, the OHO's order of requalification by examination is dismissed. The sanctions were based on the findings that Ghosh engaged in OBAs without providing prior written notice to his member firm. The findings stated that Ghosh submitted an OBA request form to the firm prior to becoming associated, but it denied his request and directed him to dissolve his company. After Ghosh dissolved his company, but before he became a registered representative of the firm, he formed and incorporated another company under the same business model as his original company. Ghosh was the new company's sole owner and director. This time, however, Ghosh neither informed the firm of the new company nor submitted an OBA request form for the firm's approval. Ghosh became a firm representative and continued to engage in undisclosed business activities through his new company. Ghosh submitted an annual supervisory questionnaire in which he certified that he understood and complied with the firm's requirement that he obtain prior written approval from the firm's OBA Unit before engaging in any OBA. Ghosh also certified that he complied with the submission of sales marketing material for compliance review and the use of a company-provided, or an approved, email address to conduct business. In fact, Ghosh had not complied with these requirements before engaging in his activities with the new company. Approximately two and a half months after becoming registered with the firm, Ghosh submitted to the firm an OBA request for his new company. When the OBA Unit asked for additional information on the new company's business activities, some of Ghosh's responses were starkly different than his previous representations. The firm later denied Ghosh's OBA request. A principal of the firm appealed the denial of Ghosh's OBA request but withdrew his appeal after further revelations. Despite the principal's

withdrawal of his appeal, Ghosh continued to conduct the new company's business after the OBA denial. Approximately three and a half months after he registered with the firm, Ghosh voluntarily resigned.

The suspension is in effect from February 7, 2022, through May 6, 2022. ([FINRA Case #2016051615301](#))

Shane Edward Perry ([CRD #2163879](#), Pismo Beach, California)

January 19, 2022 – An AWC was issued in which Perry was fined \$7,500 and suspended from association with any FINRA member in all capacities for five months. Without admitting or denying the findings, Perry consented to the sanctions and to the entry of findings that he willfully failed to timely amend his Form U4 to disclose outstanding federal tax liens totaling \$1,015,063. The findings stated that the Internal Revenue Service sent Perry notifications of the liens filed against him to his residence and he was aware of his obligations to disclose them on his Form U4. However, Perry only disclosed the liens after they were brought to his attention by his member firm or FINRA, from approximately eight to 30 months after they were required to be filed.

The suspension is in effect from February 22, 2022, through July 21, 2022. ([FINRA Case #2020067611801](#))

Dinu Marian Tise ([CRD #4609240](#), New Orleans, Louisiana)

January 19, 2022 – An AWC was issued in which Tise was assessed a deferred fine of \$7,500 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Tise consented to the sanctions and to the entry of findings that he acted unethically by circumventing his member firm's policies and procedures when he caused a senior customer to draft and sign a will bequeathing him a seven-figure sum and by concealing his conduct from his firm. The findings stated that the customer engaged an attorney to draft a will, naming Tise a beneficiary and leaving him at least a six-figure sum. Ultimately, however, the customer never signed a will arising out of these discussions. Later, Tise typed a will for the customer that named him as the primary beneficiary, which would have resulted in a bequest of over \$5 million to him. Tise provided the typed will to the customer to use as a guide to write by hand a new will. Two days later, the customer handwrote and signed a will that was nearly identical to the version provided to her by Tise. The customer then took the handwritten will to a competency examination her lawyer had arranged for her. The handwritten will was valid under applicable state law until the customer executed a new will. Later, the customer complained to the firm, had her account assigned to a different registered representative and signed the new will, which did not name Tise as her beneficiary. Despite being aware of the draft but unsigned will and the signed handwritten will

naming Tise as a beneficiary, and contrary to firm policies and procedures, Tise did not disclose to the firm that the customer had named him as a beneficiary and never instructed the customer to remove him from the will. The findings also stated that Tise provided a false compliance attestation stating he had reported to the firm any potential or actual violations of its policies, despite knowing that being named a beneficiary of the customer's will was a violation of firm policy. In addition, during an interview with a firm investigator, Tise initially denied that he had typed the will for the customer to copy before he voluntarily corrected that misstatement later the same day.

The suspension is in effect from February 7, 2022, through August 6, 2022. ([FINRA Case #2019064722601](#))

Rebecca Ann Everett (CRD #2508649, Guthrie, Oklahoma)

January 20, 2022 – An AWC was issued in which Everett was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Everett consented to the sanctions and to the entry of findings that she reused client signatures on various forms. The findings stated that Everett reused client signatures on money movement authorization forms, ACH profile set up request forms and individual retirement account cash distribution request forms. There were no indications that any submission was made contrary to client desire. In addition, Everett caused her member firm to create and maintain inaccurate books and records.

The suspension is in effect from February 7, 2022, through April 6, 2022. ([FINRA Case #2020068230201](#))

Robert James McNamara (CRD #1207495, Slingerlands, New York)

January 21, 2022 – An AWC was issued in which McNamara was fined \$5,000 and suspended from association with any FINRA member in all capacities for 30 business days. Without admitting or denying the findings, McNamara consented to the sanctions and to the entry of findings that he exercised discretion in customer accounts without the customers' written authorization and without his member firm approving any of the accounts for discretionary trading. The findings stated that McNamara effected the discretionary trades after a prior AWC for exercising discretion without authorization was issued but before his term of suspension began.

The suspension is in effect from February 22, 2022, through April 4, 2022. ([FINRA Case #2020066927501](#))

Andrew Abriol Santos Ang ([CRD #6427407](#), New York, New York)

January 24, 2022 – An AWC was issued in which Ang was assessed a deferred fine of \$10,000, suspended from association with any FINRA member in all capacities for six months and required to requalify by examination as a research analyst by passing the Series 86/87 examination prior to associating with any member firm acting in that capacity. Without admitting or denying the findings, Ang consented to the sanctions and to the entry of findings that he co-authored research reports about a company in the pharmaceutical sector without disclosing material conflicts of interest arising from advanced employment discussions with the company. The findings stated that Ang was contacted by an executive recruiter to gauge his interest in an open investor relations position at the company, which was one of the issuers covered by his research group. Ang expressed interest in the position, transmitted his resume to the recruiter and discussed the position with directors and other employees at the company. The employment discussions had reached a level of seriousness, with mutual expressions of interest and Ang's candidacy clearly visible, such that he should have known that they presented a material conflict of interest that required disclosure. Ang's member firm published a research report co-authored by Ang that provided analysis of the company's recently announced third quarter financial results. Ang continued to discuss the open position with members of the company, and his firm published a second research report co-authored by Ang that provided analyses of recent news about the company as well as several other pharmaceutical companies. Neither research report disclosed that Ang was engaged in employment discussions with the company. Ang subsequently received and accepted a written offer of employment from the company and informed his firm's research compliance department that he was interviewing with the company. Ang did not disclose that he had already accepted an employment offer. Ang later resigned from the firm while it was conducting an internal investigation concerning his employment discussions with the company.

The suspension is in effect from February 7, 2022, through August 6, 2022. ([FINRA Case #2021069510201](#))

Brian Orlando Blanco ([CRD #6423223](#), Modesto, California)

January 24, 2022 – An AWC was issued in which Blanco was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for six months. Without admitting or denying the findings, Blanco consented to the sanctions and to the entry of findings that he forged the signatures of insurance customers on applications for life insurance without the customers' knowledge or permission and submitted the forged signatures for processing. The findings stated that Blanco also falsified the signatures of insurance customers, all of whom were family or close friends and authorized Blanco to sign their names. The insurance affiliate of Blanco's member firm identified his misconduct after

one of the customers whose signature was forged complained. The applications were submitted to the insurance affiliate and none of the insurance customers held brokerage accounts at the firm. In addition, Blanco falsely stated on annual compliance questionnaires that he had not signed or directed someone else to sign applicants' names.

The suspension is in effect from February 7, 2022, through August 6, 2022. ([FINRA Case #2020066805601](#))

Joseph Brian LaScala Jr. ([CRD #3070261](#), Merrick, New York)

January 24, 2022 – An AWC was issued in which LaScala was fined \$7,500 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, LaScala consented to the sanctions and to the entry of findings that he engaged in excessive and quantitatively unsuitable trading in his customer's account. The findings stated that LaScala engaged in short-term trading in the customer's individual 401(k) account. LaScala decided which stocks to trade and when to trade them, and exercised discretionary authority in connection with the trades. He also controlled the volume and frequency of trading in, and therefore exercised de facto control over, the customer's account. LaScala's short-term trading in the customer's account resulted in \$90,720 in trading costs and \$116,194 in losses. The findings also stated that LaScala exercised discretionary authority to effect trades in the same customer's account without having obtained prior written authorization from the customer or approval from his member firm to treat the account as discretionary.

The suspension is in effect from February 22, 2022, through June 21, 2022. ([FINRA Case #2021070337201](#))

Alan Robert Price ([CRD #3181061](#), Noblesville, Indiana)

January 25, 2022 – An Order Accepting Offer of Settlement was issued in which Price was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 18 months. Without admitting or denying the allegations, Price consented to the sanctions and to the entry of findings that he failed to respond to FINRA's requests for documents and information until after a complaint was filed in connection with an investigation into whether he borrowed money from an elderly customer or other customers of his member firm. The findings stated that Price failed to provide testimony about whether he borrowed money from the customer during his on-the-record testimony. When FINRA suspended Price's testimony after his counsel withdrew his representation, Price refused to appear later to complete his testimony until after FINRA initiated this proceeding. The findings also stated that Price borrowed \$150,000 from the

customer without receiving written permission from his firm prior to accepting the loan, as required by the firm's written procedures. At the time of the loan, the firm's written procedures prohibited lending or borrowing between registered representatives and firm customers unless one of several specified exceptions applied, and in all cases required the firm's written approval prior to the issuance of the loan. Price did not notify the firm of the loan and none of the firm's specified exceptions applied.

The suspension is in effect from February 22, 2022, through August 21, 2023. ([FINRA Case #2020066136801](#))

Riley Smith (CRD #7270268, Colorado Springs, Colorado)

January 26, 2022 – An AWC was issued in which Smith was assessed a deferred fine of \$5,000 and suspended from association with any FINRA member in all capacities for 18 months. Without admitting or denying the findings, Smith consented to the sanctions and to the entry of findings that he had access to prohibited materials while taking the Securities Industry Essentials (SIE) examination. The findings stated that during an unscheduled break, Smith went to the testing center restroom and had access to his SIE examination study materials that he had placed in the garbage can there before beginning the exam.

The suspension is in effect from February 7, 2022, through August 6, 2023. ([FINRA Case #2021071109501](#))

Michael Peter Dmytryshyn (CRD #2203199, Mt. Vernon, New York)

January 28, 2022 – An AWC was issued in which Dmytryshyn was fined \$2,500 and suspended from association with any FINRA member in all capacities for 10 business days. Without admitting or denying the findings, Dmytryshyn consented to the sanctions and to the entry of findings that he caused his member firm to maintain inaccurate books and records by changing the representative code for trades, causing the trade confirmations to show an inaccurate representative code. The findings stated that Dmytryshyn entered into an agreement through which he agreed to service certain customer accounts, including executing trades for those accounts, under a joint representative code that he shared with a retired representative. The agreement set forth what percentages of the commissions each representative would earn on trades placed using the joint representative code. Although the firm's system correctly prepopulated the trades with the applicable joint representative code, Dmytryshyn changed the code for the trades to his personal representative code. Dmytryshyn discussed changing the code on the trades with the retired representative, who had agreed that Dmytryshyn could do so. The firm's trade confirmations for the trades inaccurately reflected Dmytryshyn's

personal representative code. Dmytryshyn's actions resulted in his receiving higher commissions from the trades than what he was entitled to receive pursuant to the agreement. Later, the firm reimbursed the retired representative.

The suspension was in effect from February 22, 2022, through March 7, 2022. ([FINRA Case #2021070570201](#))

Michael Murray Knittel ([CRD #3274235](#), El Dorado Hills, California)

January 28, 2022 – An AWC was issued in which Knittel was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for four months. Without admitting or denying the findings, Knittel consented to the sanctions and to the entry of findings that he participated in a private securities transaction involving a \$245,000 investment, without providing prior written notice to his member firm. The findings stated that Knittel recommended that investors invest in a promissory note issued by a limited liability company to fund the renovation of a residential property and to pay for legal fees associated with renegotiating an existing lien on the property. Pursuant to the terms of the promissory note, the investors would receive repayment of their principal and a share of profits upon the sale of the property. Knittel introduced the investors to an owner of the company and provided the investors with information and documents about the investment, including a draft subscription agreement. After the investors invested, Knittel received \$10,000 from the company. The investors, who later commenced a civil action disclosed on an amended Form U4 filed by Knittel's firm, expressed complaints to him about the company and their investments. Knittel then sent the investors the \$10,000 that he had previously received from the company.

The suspension is in effect from February 7, 2022, through June 6, 2022. ([FINRA Case #2020067053001](#))

Jimmy William Nunez Jr. ([CRD #6432136](#), Cliffside Park, New Jersey)

January 28, 2022 – An AWC was issued in which Nunez was assessed a deferred fine of \$10,000 and suspended from association with any FINRA member in all capacities for two years. Without admitting or denying the findings, Nunez consented to the sanctions and to the entry of findings that he forged a customer's signature and initials on a variable annuity application and related new account documents. The findings stated that Nunez did not obtain the customer's permission to sign her name or to initial any documents for her. Nunez also falsified the documents by placing a date on them that was later than the date on which they were signed and initialed. Nunez then submitted the documents to his member firm. By forging and falsifying the documents, Nunez caused his firm's books and records to be inaccurate. The findings also stated that when FINRA subsequently investigated Nunez's conduct, he provided false written statements and testimony in response to its requests. Nunez subsequently recanted his false statements.

The suspension is in effect from February 7, 2022, through February 6, 2024. ([FINRA Case #2020065945901](#))

Thomas Alva Foster ([CRD #2771184](#), Terre Haute, Indiana)

January 31, 2022 – An AWC was issued in which Foster was fined \$2,500 and suspended from association with any FINRA member in all capacities for one month. Without admitting or denying the findings, Foster consented to the sanctions and to the entry of findings that he caused trade confirmations to show an inaccurate representative code by changing the code for trades that were covered by an agreement in which he agreed to service certain customer accounts that he shared with a retired representative. The findings stated that although his member firm's system correctly prepopulated the trades with the applicable joint representative code, Foster changed the codes to his personal representative code. Foster did so because he mistakenly believed that his agreement with the retired representative did not apply to new assets added to accounts that were subject to the agreement. Foster's actions resulted in his receiving higher commissions than what he was entitled to receive. Foster reimbursed the firm \$21,831, which was the approximate amount of the additional commissions that he received as a result of his changing the code. Through this conduct, Foster caused his firm to maintain inaccurate trade confirmations.

The suspension is in effect from February 22, 2022, through March 21, 2022. ([FINRA Case #2021071276801](#))

Mark Giordano ([CRD #4052216](#), Lindenhurst, New York)

January 31, 2022 – An AWC was issued in which Giordano was fined \$5,000 and suspended from association with any FINRA member in all capacities for two months. Without admitting or denying the findings, Giordano consented to the sanctions and to the entry of findings that he engaged in non-securities related OBAs for which he received compensation without prior written notice to his member firm. The findings stated that Giordano served as part owner and vice president of a company involved in horse racing and breeding and as part owner of another company involved in horse racing. In addition, Giordano served as part owner and vice president of a real estate rental company, owned a real estate-flipping company and engaged in a house-flipping venture to purchase, renovate and sell residential properties. Firm customers were involved in all but one of these OBAs and the activities were outside the scope of Giordano's relationship with the firm. Giordano never disclosed one of these ventures to the firm and did not timely disclose the others.

The suspension is in effect from February 22, 2022, through April 21, 2022. ([FINRA Case #2019063042401](#))

Complaint Filed

FINRA issued the following complaints. Issuance of a disciplinary complaint represents FINRA's initiation of a formal proceeding in which findings as to the allegations in the complaint have not been made, and does not represent a decision as to any of the allegations contained in the complaint. Because these complaints are unadjudicated, you may wish to contact the respondents before drawing any conclusions regarding these allegations in the complaint.

William Nicholas Athas ([CRD #3165470](#), Manorville, New York)

January 18, 2022 – Athas was named a respondent in a FINRA complaint alleging that he willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and violated FINRA Rule 2020 by churning customer accounts. The complaint alleges that Athas controlled the trading in the customer accounts, the volume and frequency of trading in the accounts, decided what securities to buy and sell, the quantity of each transaction and the timing of each transaction. Athas also determined the commission he would charge for each transaction. The customers routinely followed Athas' recommendations. Athas deliberately incurred unreasonably high trading costs in these customers' accounts, which made it virtually impossible for the accounts to be profitable. Athas persisted in his trading activity even after being warned about the excessive level of trading and high costs in these customer accounts on several occasions. The complaint also alleges that Athas' trading in these accounts was excessive and quantitatively unsuitable for each of the customers based on their investment profiles, as evidenced by the high turnover rates and cost-to-equity ratios, the frequency of the transactions and the transaction costs incurred. Athas' churning and excessive trading caused the customers to pay approximately \$1.6 million in commissions and other trading costs and to suffer approximately \$1.1 million in losses. Conversely, Athas generated commissions of approximately \$1.5 million for himself and his member firms. The complaint further alleges that Athas recommended that customers engage in short-term, in-and-out trading, often on margin, without having a reasonable basis to recommend that trading strategy to the customers. Athas' recommended strategy therefore was not suitable. Athas failed to perform reasonable diligence to understand the cumulative costs of his trading, including commissions, other trading costs and margin interest. Athas also failed to perform reasonable diligence to understand the impact of these cumulative costs on the value of his customers' accounts or the ability of his customers to earn a profit. Athas also failed to understand turnover rates and cost-to-equity ratios, and therefore failed to calculate and consider these metrics when recommending and executing a short-term, in-and-out trading strategy in his customers' accounts. ([FINRA Case #2018057883102](#))

Individual Revoked for Failure to Pay Fines and/or Costs Pursuant to FINRA Rule 8320

(If the revocation has been rescinded, the date follows the revocation date.)

Efrain Balderrama Trujillo (CRD #3106482)
West Hills, California
(January 8, 2022)
FINRA Case #2017054755208

Individuals Barred for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552(h)

(If the bar has been vacated, the date follows the bar date.)

Kameise Bickham (CRD #7058776)
Phoenix, Arizona
(January 3, 2022)
FINRA Case #2021069250501

John Richard Boatright (CRD #2545676)
Loganville, Georgia
(January 18, 2022)
FINRA Case #2021071440501

Keri April Fazio (CRD #5901797)
Longmeadow, Massachusetts
(January 24, 2022)
FINRA Case #2021071543801

Austin Havird Fox (CRD #3053879)
Blythewood, South Carolina
(January 11, 2022)
FINRA Case #2021071300701

Melissa Kay Gilcrease (CRD #4402053)
Roswell, New Mexico
(January 25, 2022)
FINRA Case #2021069222001

Bethany Joy Hewett (CRD #6534037)
Jacksonville, Florida
(January 24, 2022)
FINRA Case #2021071537201

Xinwo Li (CRD #6464749)
Short Hills, New Jersey
(September 13, 2021 – January 6, 2022)
FINRA Case #2020068937201

Ronald Terrence Molo (CRD #4371241)
Shorewood, Illinois
(January 3, 2022)
FINRA Case #2021071702901

Marcus Kovac Moon (CRD #6710986)
Miramar, Florida
(January 18, 2022)
FINRA Case #2021070787701

Robert A. Paterson (CRD #5880319)
Hallandale Beach, Florida
(January 3, 2022)
FINRA Case #2021071682101

Lisa M. Robinson (CRD #4786703)
Bronx, New York
(January 10, 2022)
FINRA Case #2021070686201

Nathaniel K. Robinson (CRD #7063900)
Chicago, Illinois
(January 3, 2022)
FINRA Case #2021071506401

Herbert Lee Weith IV (CRD #5453866)
Annapolis, Maryland
(January 10, 2022)
FINRA Case #2019064197601

Individuals Suspended for Failure to Provide Information or Keep Information Current Pursuant to FINRA Rule 9552(d)

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Maria Elena Acevedo (CRD #6535283)
North Miami, Florida
(January 10, 2022)
FINRA Case #2021070821901

Alicia Chester (CRD #6358215)
Dallas, Texas
(January 3, 2022)
FINRA Case #2020068436501

Anthony Vincent DiDonna (CRD #7283414)
Glen Cove, New York
(January 7, 2022)
FINRA Case #2021071227201

David Thomas Hixon (CRD #4707468)
Scottsdale, Arizona
(January 7, 2022)
FINRA Case #2021070867701

James Daniel Kent Jr. (CRD #2255753)
Spring Hill, Florida
(September 27, 2021 – January 24, 2022)
FINRA Case #2021071506201

Scott Harris Levine (CRD #4132765)
Delray Beach, Florida
(January 18, 2022)
FINRA Case #2021071252401

Mario Martinez (CRD #6319799)
New Orleans, Louisiana
(January 24, 2022)
FINRA Case #2020066379502

John Anthony Sommo (CRD #3141638)
North Branford, Connecticut
(January 24, 2022)
FINRA Case #2020067928601

Stephen Wenske (CRD #6804998)
Spring, Texas
(January 21, 2022)
FINRA Case #2021071318901

Individuals Suspended for Failure to Comply with an Arbitration Award or Related Settlement or an Order of Restitution or Settlement Providing for Restitution Pursuant to FINRA Rule Series 9554

(The date the suspension began is listed after the entry. If the suspension has been lifted, the date follows the suspension date.)

Joseph Alan Likens (CRD #3084903)
Canton, Georgia
(January 5, 2022)
FINRA Arbitration Case #20-00795

Guy James Newman (CRD #1456444)
Mount Dora, Florida
(January 5, 2022)
FINRA Arbitration Case #20-01879

John Joseph Santariello (CRD #5746158)
Farmingville, New York
(January 10, 2022)
FINRA Arbitration Case #19-02196

Jeanette S. Stofleth (CRD #4860748)
Kirkland, Washington
(January 3, 2022 – January 18, 2022)
FINRA Case #20210719489/ARB210015/
Arbitration Case #21-00137

PRESS RELEASE

FINRA Fines Credit Suisse Securities \$9 Million for Multiple Operational Failures

FINRA announced that it has fined [Credit Suisse Securities](#) \$9 million for failing to comply with securities laws and rules designed to protect investors, including the SEC's Customer Protection Rule and FINRA rules requiring firms to disclose potential conflicts of interest when issuing research reports. As part of the settlement, FINRA also required Credit Suisse to certify that it has implemented supervisory systems and procedures reasonably designed to comply with the Customer Protection Rule and other requirements.

"The Customer Protection Rule is intended to protect customers' securities by prohibiting firms from using those securities for their own purposes and to ensure the prompt return of customer securities in the event of broker-dealer insolvency," said Jessica Hopper, Executive Vice President and Head of FINRA's Department of Enforcement. "This case should serve as a reminder to member firms of their obligation to protect customer funds from improper use, and to ensure accurate disclosures of potential conflicts between research subjects and firms in research reports, both of which are critically important for investor protection."

FINRA found that Credit Suisse violated the Customer Protection Rule in two ways. First, the firm failed to maintain possession or control of billions of dollars of fully paid and excess margin securities it carried for customers, as required. Second, on numerous occasions, the firm failed to accurately calculate its required customer reserve—that is, the amount of cash or securities the firm was required to maintain in a special reserve bank account.

In addition, from 2006 through 2017, FINRA found that Credit Suisse issued more than 20,000 research reports that contained inaccurate disclosures about potential conflicts of interest. FINRA also found that the firm issued more than 6,000 research reports that omitted required disclosures. Credit Suisse's disclosures omitted that the company that was the subject of the research report had been a client of the firm during the prior 12 months; or that the firm expected to receive investment banking compensation from the subject company within the next three months.

Additionally, FINRA found that Credit Suisse failed to preserve more than 18.6 billion records in a non-erasable and non-writable format, as required.

In settling [this matter](#), Credit Suisse accepted and consented to the entry of FINRA's findings without admitting or denying them.